

The

# CREDIT UNION BRIDGE

THE WAY TO ECONOMIC BETTERMENT

UNIVERSITY MICROFILMS  
313 N. FIRST ST.  
ANN ARBOR, MICHIGAN

EXCHANGE  
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(See Page 13)

Official Publication

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Credit Union National Association

## Hubby Gets In a Jam

HARPER BERT STONE told a district court a postcard he received a year ago contained only a short message—but big enough to get him in a jam with his wife.

He filed suit for \$10,000 damages Friday against Hall's Clothing, Inc., and Evelyn Williams, one of its credit department employees.

The card said:  
"Dear Bert: Call me today. Ph. 2-7648. Evelyn."

Carmon C. Harris, Stone's attorney, said Stone wasn't at home when the postman delivered the card—but Mrs. Stone was.

"When Stone returned home, he found his wife pretty upset," Harris told a reporter.

Harris said Stone later learned it came from a clothing store and gave his wife that explanation.

"She looked up the clothing store telephone number and it wasn't the same," Harris continued. "That didn't help much."

He said the number on the card is an unlisted number at the store's credit department. The lawyer said Evelyn answers the phone.

Evelyn was described as the happily married mother of a daughter.

Stone charged that the postal card implied he "was carrying on a clandestine love affair with a woman named Evelyn."

The plaintiff said the card embarrassed him and reflected on his marital fidelity.

H. W. Benson, manager of the clothing store, said it was surprising the number of people who called Evelyn after receiving one of the cards—after other efforts to reach them failed.—THE EVENING TELEGRAM, Superior, Wisconsin.

## Ingenuity and Credit

MISS MARJORIE SHAW was a new-comer to Philadelphia with her parents and brother.

Amid present housing limitations the Shaws finally located in a 33 year old house with an extended record for vacancies.

Recently the Sunday magazine section of the Philadelphia Inquirer had a 2 page picture story on how the inside was transformed into a home of remarkable beauty at relatively small expense.

Most of the old furniture was re-modeled. A wardrobe became a bookcase, and a dresser a kitchen cabinet. With paint and padding in the right places the chairs took on a new look.

It cost money for wallpaper, plas-

ter, upholstery and other materials. The Atlantic Plant Employees Federal Credit Union that loaned the money, had unusual assurance it served a useful purpose.

## Burglar Helps Deposits

EVEN A BURGLAR can help increase the deposits of a credit union.

At coffee the other day one of the boys told a group of ready listeners about a burglars' appearance at his home.

He had been picking up silver dollars for several years so that he might have twenty-five on hand for his silver wedding anniversary in a dresser drawer, and a few other petty savings accounts. To his disappointment the burglar did find various funds and seemed to be interested in nothing else.

Later it became evident that numerous small sums of petty savings had been deposited in the credit union and apparently out of the old socks.

Others must have had similar experiences for here is a poem that appeared in a bulletin from the Nepro Credit Union, Vancouver, British Columbia.

## It's Hidden In A Sock

I save my money day by day,  
It's not a great amount.  
Each time I look at it and say  
"It's not hard to count."

As time goes on, it worries me;  
I count my little stock,  
And wonder 'bout it's safety, see  
It's hidden in a sock.

The more it grows, the more I fuss,  
It worries me no end.  
For if I lost it, I should cuss  
That it's not there to spend.  
But someone said the other day  
That I can save my stock,  
Just use the Credit Union way,  
Not hide it in a sock.

If I and you, and you and I,  
Will lend what we have got,  
We'll help our Credit Union try  
To help our folks a lot.  
When members need a little help  
Because they're on the rocks,  
We'll save them if we'll use the pelf  
That's hidden in our socks.

The Credit Union pays you too  
To use your little pile.  
Just ask and see what they can do  
If you will change your style.  
Your money will be just as safe  
As if it's under lock.  
So save the Credit Union way,  
Not hide it in a sock.—ANON.

## The Credit Union Bridge

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E. K. WATKINS, Editor

CHAS. G. HYLAND, Business Manager

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2

The Credit Union Bridge

# Progress Evident At Cuna Quarterly Meetings

*The Executive Committee, Cuna Mutual Board of Directors, and Cuna Supply Administrative Committee holds meetings in Chicago February 8, 9, and 10.*

**T**HE QUARTERLY MEETINGS of the Cuna Administrative bodies for February were held in Chicago.

The credit union bond program provided the leading problem of recent months. Thomas W. Doig, the managing-director of Cuna, reported that Employers Mutual Liability Insurance Company had agreed to assume the risk on all credit union bonds handled thru Cuna Insurance Research Division.

Under the bond agreement, approved by the Executive Committee, Employers Mutuals will continue the present terms of all primary bonds transferred until the next anniversary date of the bond. Beginning February 15 the excess bond coverage will be \$25,000.

At the anniversary date of each individual credit union bond the primary bond coverage required thru Cuna to qualify under the excess bond will be 20% of first \$400,000 of assets, 5% of second \$400,000, and 2½% of all assets over \$800,000—as of 90 days prior to anniversary date.

League membership is required to qualify for excess bond coverage.

The reduction of the maximum coverage under the excess bond from \$50,000 to \$25,000 is not considered serious as no previous claim on excess coverage has exceeded the \$25,000 amount.

The present development of the

CUNA bond program with Employers' Mutuals has several forward looking aspects:

1—Employers Mutuals evidence a strong interest in credit unions and the future of credit unions.

2—The president of Employers Mutuals, H. J. Hagge, attended the charter meeting in 1935 and became a charter member of the credit union serving the employees of the company. In a recent visit Mr. Hagge vividly described several circumstances to illustrate the credit union value to employees.

3—Vai White, who heads the bonding Department for Employers' Mutuals remarked at the recent Cuna quarterly meeting:

"This has been an interesting undertaking for us . . . It has been a revelation to see deeper into the far reaching effects of credit unions, and we are glad we got into it, even though it has added a few gray hairs.

"We want to make this business profitable to all concerned. Of course, alone we are powerless. We cannot do a thing without the co-operation of CUNA, the leagues, credit unions, and the supervisory committees of credit unions. But we do want to help with a program to have better credit unions, and to increase the knowledge and function of the supervisory committees.

## POP Program

Contributions to the POP Fund

as of January 31 totalled \$10,580.43. This is more than the combined total collected during the previous two years! Checks continue to come in at a good rate, so our final figure will be higher than this. You will recall that \$2,500 was budgeted for the promotion of Credit Union Day and the POP Program. As of January 25 we had spent \$2,172.70 of this amount.

Three reasons can be given for this year's success: (1) the method of asking each credit union to invest \$10 instead of relying on contributions at dinners; (2) the co-operation of the East St. Louis and Detroit Chapters; and (3) the fact that credit unions are keenly aware of the need, and really want a public relations program.

Many of the checks we receive for the POP Program are accompanied by letters expressing a desire to help, and a genuine interest in the public relations program. I have with me a file of some of these letters.

We have evidence that the propaganda of the NTEA has awakened a number of credit union people to the need for the POP Program. We can best counteract this propaganda by telling the positive story of credit union benefits. The need is immediate; therefore we are going right ahead with a working public relations program.

## Cuna in the Field

During 3 months (October thru December) our staff has served 33 states and 1 province resulting in 35 credit unions organized, 20 league affiliations, 27 Loan Protection contracts, 28 Life Savings contracts, 11 Cuna bonds, and 5 credit union chapters organized. Also visits with 1,171 credit union officials; 130 credit union board meetings attended; 109 chapter officials, 25 chapter meetings, 12 league boards, 253 league officials, and 39 other meetings.

The Cuna Automobile Insurance program took a big stride forward this year. Premium receipts for the year were just under \$1½ million, a gain of 61% over the 1949 volume.

Credit Unions from 25 states are now participating in the program.

## Executive Committee Actions

The Executive Committee amended the Retirement Savings Plan to provide payment of both employer and employee contributions to employees who leave the service prior to retirement age if due to total and permanent disability.

It was voted to also seek an



amendment to the Federal Act to permit examiners to administer oaths.

#### Joint Committee

The Joint Committee worked out a mutual plan between the three organizations to provide for an assistant manager of the Canadian office.

#### Cuna Supply Cooperative

Due to the absence of Matt Pottinger, only an informal session of the Administrative Committee was held. No items on the agenda called for immediate formal action by the committee.

Mr. Doig reported a sales increase of 11.66% for the first 10 months of 1950-1 fiscal year compared with the same period for 1949-50 in Cuna Supply Cooperative. The additional volume handled was \$24,658, and total volume of the 10 months was \$236,177.

The amount due Cuna Supply Cooperative on account increased \$15,282, which is within the normal limit or equivalent of 2 months billing volume. A loan of \$15,000 was consummated from Cuna Mutual Insurance Society to provide necessary

operating capital. The net proceeds for the first 10 months is \$19,948.27 (or 8.4% of sales) compared to \$8,328.56 a year ago. The proceeds from the sale of the old headquarters building of \$24,658.84 were turned over to the Credit Union National Association as a pledge to Filene Memorial.

The suggestion by a number of correspondents that the new books (Credit for the Millions and The Poor Man's Prayer) be included in the initial supplies for new credit unions was considered and recommended.

The Missouri Credit Union League has discontinued its supply department, and turned over the supply business for Missouri, Nebraska, and Kansas to be handled directly between the credit unions and Cuna Supply Cooperative. This is the second large league to discontinue its supply department.

The present commodity market is very unstable. Every mail brings notices of price increases. Prices on paper and office equipment have increased several times in recent months. Paper prices are now based on the prices at the time of delivery, and not at the prices when ordered.

## Teachers Need Credit Unions

TEACHERS ARE, for the most part, conscientious and hard-working people. They try to maintain a reasonable standard of living but are frequently handicapped by a relatively low average income. Their employment is rather stable as compared with that in industry. For these reasons they are favorite prey of high-rate lenders who offer easy credit at a price. They are also high up on the list of preferred clients who are bombarded with mailings offering high-return investments which frequently turn out to be wildcat schemes of the rankest sort. These are hazards which increase the difficulties under which most teachers strive for both a desirable standard of living and future security.

Some 200,000 teachers in United States have built for themselves an adequate answer to their financial problems. In more than 500 credit unions these teachers have established their own facilities for thrift and credit and they manage them in such a manner as to meet their own particular needs. They are running their own business.

These credit unions offer security of investment to their members and a friendly, understanding atmosphere which contributes to this success.

A survey of teacher credit unions prepared by the credit union committee of NEA shows that at the end of 1946 there were a little over 450 such groups with membership of nearly 120,000 and assets of more than \$23 million. Reports from 144 of them show total loans since organization of more than \$72 million. Whether large or small, these credit unions offer conclusive proof that teachers can and are successfully operating their own financial institutions to better serve their own needs.

#### Thousands of Opportunities

Do the teachers and school employees in your community have a credit union? If not, will you tell some of them about credit unions, and work for a meeting to discuss the formation of one?

Your enthusiasm as a volunteer organizer is vital to the strength of the credit union movement, the welfare of the groups you contact, and to the success of our drive to organize 1200 new credit unions this year.

#### True or False ??

A DETROIT GROCER is accused of selling "spoiled limburger". How can anyone tell when that stuff is spoiled?

## 1950 A Banner Year For Cuna Mutual Insurance Society

THE LIFE INSURANCE coverage totals zoomed to a total of \$606 million at the end of 1950 showing a gain of \$184 million for the year. Direct benefits to credit union members in claims totaled \$2,584,774 in 1950 or \$686,000 more than the previous year.

As a part of the president's report to the other administrative bodies of CUNA, Moses Davis described the experience of his own credit union. Before CUNA Mutual was formed, the members of the white race paid \$1.20 on each \$100 of loans and the colored \$1.30, figured individually.

Today through Cuna Mutual, Mr. Davis pointed out: the credit union pays 75c per \$1,000 per month figured on a group basis monthly; the insurance covers both death and disability; no race discrimination; and that his credit union had received a good dividend return on premium payments.

#### \$719,000 Dividend Voted

Along with the report of growth

of the society, Mr. Doig reported a favorable mortality experience for the year, and that the society was in a position to pay substantial dividends.

The board of directors voted a return of \$719,000 in dividends on earned premiums in 1950 for policies in effect at the end of the year. The dividends declared are: 20% on AA Loan Protection contracts, 10% on AAWD Loan Protection, 10% on Life Savings, 10% on Standard Group, and the regular schedule on individual contracts.

#### MacDonald Elected to Board

Jack Burns resigned at the meeting to accept a position as assistant manager of the Canadian office. To fill the vacancy J. D. Nelson MacDonald was elected to serve until the 1952 election. Mr. MacDonald is from Dartmouth, Nova Scotia, and is a member of the Executive Committee representing the Canadian district.

# How to Serve Well as a Director of Your Credit Union



*(Reproduced from a new Cuna Supply Cooperative booklet. John Eidam, president of the Credit Union National Association appointed a special committee to prepare the basic material for the booklet. The committee members were Paul Deaton, chairman; M. F. Gregory; and E. J. Christoph.)*

**Y**OU ARE TO BE WARMLY CONGRATULATED. The members of your credit union have expressed their confidence in your ability and determination to perform an important job well. The continued growth and success of your credit union depends to a great extent upon the counsel and guidance you give it as one of its directors.

This booklet has been written specially to help you. You won't find all the answers in this quick-reading summary, but your familiarity with these fundamentals of effective credit union "direction" will make your job easier, make you a better director, and give you much personal satisfaction and valuable experience.

## What It Takes

A director who merits the confidence of the members is conscientious about his duties to the credit union, and happy to give some time to the cause. He likes people, is friendly, is interested in the members' welfare and happiness, and has an understanding of the average member's financial problems. He is moved by a strong desire to help solve these problems—through the credit union.

Of course, every individual doesn't possess all these qualifications at the time he is elected, but a genuine interest in the credit union and a desire to learn more about the job of directing it will soon remedy that.

## What Members Expect From You

1. Members expect you to be guided by the knowledge and the conviction that the purpose of the credit union is to serve its members—to promote thrift; to provide convenient, economical credit; to help members solve their financial problems, by teaching wise and democratic use of money.

2. Members rightfully expect the Board of Directors to determine operating practices and poli-

cies, within the framework of the general policies set by the members, in their meetings and their bylaws. (Members meet only once a year and certainly could not handle effectively the many details of operation they have wisely delegated to you and your fellow directors.)

3. The members expect each director to have a mind of his own—to analyze each problem fairly and accurately and to vote as he believes best.

4. They expect the Board to guide the credit union according to the decisions of the majority—not according to the dictates of one person.

5. They expect a report from the president, at each annual meeting, giving an account of the directors' stewardship for the year.



## Monthly Meetings

Most credit union laws require that the directors meet at least once each month. Fewer meetings could hardly be justified; in special circumstances more may be desirable. A set day of the month should be established for the regular meetings, so that the directors can set that day aside in planning their other engagements.

If the credit union is to have the full benefit of your experience and judgement, you must attend each meeting faithfully.

There should be a definite program outline for each meeting, and the chairman should tactfully but firmly see that this program is carefully followed. It is also important that all discussion be relevant to the subjects before the meeting. "Time is money," and high caliber directors will lose in-

terest if their time is wasted listening to arguments and discussions which have no relation to the business before the meeting. Your forthright and level-headed participation will help keep the meeting on the track, full-steam ahead.

## Program Outline

Here is a suggested outline for each monthly meeting. Much more will be accomplished if each director will look over this outline prior to each meeting and come prepared to do his particular part.

1. Call meeting to order.
2. Roll call.
3. Reading of minutes of previous meeting.
4. Treasurer's report:
  - a. Financial
  - b. Delinquent loans and discussion of action to be taken on each.
5. Report of credit committee.
6. Report of the supervisory—audit committee.
7. Secretary's report:
  - a. Acceptance of new members.
  - b. Reading of communications.
8. Report of other committees.
9. Old business.
10. New business.
11. Adjournment.

## Powers and Duties of the Board

The board of directors is responsible for the general guidance and control of the affairs of the credit union. It determines the practices and policies which will bring all services and benefits of the credit union to every member. It sees that all persons in the credit union field of membership who are not members are made familiar with the services the credit union has to offer.

Special problems will occasionally arise, but the regular and generally accepted duties of the board are as follows (these vary somewhat; check your own bylaws for possible differences in those items covered by the bylaws.)



1. To act on all applications for membership.

2. To determine the interest rate which shall be charged on loans.

3. To determine the amount of the surety bond which shall be required of the treasurer and of all other officers or employees handling funds of the credit union.

4. To determine the amount of patronage (interest) refund, if any, which shall be paid to borrowers, subject to the recommended procedures.

5. To declare or recommend what dividends, if any, shall be paid to the shareholders.

6. To recommend to the shareholders amendments to the by-laws, and to arrange with supervisory authorities for approval of such changes.

7. To determine from time to time the maximum individual share holdings and the maximum individual loans which may be made with and without security.

8. To have charge of the investment of funds of the credit union.

9. To fill vacancies on the Board, on the Credit Committee, and on the Supervisory-Audit Committee until the next annual meeting (where it is the board's duty to do so).

10. To see that the Supervisory-Audit Committee makes regular audits, and that its recommendations are given proper consideration and carried out when possible.

11. To review and take action on delinquent loans at each meeting. A special delinquent loan committee of the board may be appointed, but such committee should regularly report to the board.

12. To approve all expenditures.

13. To publish reports to members and to inform management and other important groups of the credit union's services.

14. To see that non-members and members are informed and reminded constantly of the many services provided by their credit union. The appointment of an educational and promotional committee is strongly recommended. This committee should be on the alert for ideas which will encourage non-members to become members; and members to take full advantage of all services and benefits and share in the responsibilities and pleasures of managing their thrift and loan organization.

15. To purchase shares in any available central credit union created for the common interest of member credit unions, and to ap-

point a voting representative to represent the credit union at such institution's meetings.

16. To join other credit unions in obtaining mutual benefits, by actively participating in the credit union's chapter, league, and Credit Union National Association.

17. To take full advantage of the services credit unions make available to themselves through their credit union league, and their Credit Union National Association and its affiliates, Cuna Supply Cooperative and Cuna Mutual Insurance Society.

18. To provide the services which general credit union experience has found essential or highly desirable: such as check cashing, Loan Protection Insurance, Life Savings Insurance.

### The Green Light

All these responsibilities add up to this: It's the directors' job to see that the green light is kept shining and the road kept wide open to maximum credit union service. In particular, this means a special concern about the work of the credit committee. While approval or disapproval of each individual loan application is the function of the credit committee, it is the general responsibility of the Board of Directors to be sure:

1. That all loan applications are handled promptly and fairly.

2. That credit union loan terms are at least as liberal as those of other agencies.

3. That a borrowing member is encouraged to bring all his financial obligations and handle them through the credit union.

4. That the credit union is willing to accept doubtful risks in cases where hardship is involved.

5. That the treasurer is given all possible assistance in training whatever personnel may be required to give maximum service.

6. That the credit committee does not have numerous restrictions and rules which make it difficult to borrow.

7. That the credit committee does not think it is a sin to borrow.

8. That a member's transactions with the credit union are kept strictly confidential.

### Special Duties of Officers

The president shall preside at all meetings of the members and of the board of directors; sign checks (some exceptions) and notes drawn by the credit union; and perform the other customary duties of this office.

The vice president shall, in the event of the absence of the president, perform the duties of the president and such other duties as the board of directors may from time to time prescribe.

The treasurer shall be the managing officer and shall be responsible for the administration and safekeeping of the funds of the credit union. He shall be the custodian of the funds, securities, books of accounts, and all other valuable papers of the credit union.

The secretary shall keep correct records of all meetings of the members and of the board of directors. He shall give notice of all meetings of the members, and perform all other duties incident to his office.



### Helping Hands

New problems and new methods of answering old problems are always coming up. Just as a doctor worth his salt is always learning from the experience and thinking of others, so must a credit union director worth his salt.

Here are some ways to accomplish this:

1. Attend credit union chapter and league meetings regularly and exchange ideas with your fellow credit union leaders. Participate in the bull sessions and study the exhibits at those meetings. If your area has no chapter, or if your chapter fails to provide meetings that are genuinely helpful and inspiring, then it will be highly worth your while to take the leadership in changing all that.

2. Read regularly the Credit Union Bridge, the monthly credit union magazine. Note specially these two departments: What About It? (questions and answers) and Idea Exchange. Every credit union director and committee member should have his own subscription paid by the credit union. The subscription fee is a small price for an investment in better leadership.

3. For additional help in answering your special problems write or call your credit union league (for address refer to page 12 of your Cuna Supply Catalog.)

4. Refer to the Cuna Supply Catalog regularly also for descriptions of available guides and manuals, as well as for operating and promo-

tional supplies. This is a loose-leaf, regularly-brought-up-to-date catalog which is furnished all credit unions. If your copy is not handy write for another one to Cuna Supply Cooperative, Madison 1, Wisconsin.



#### Nice Work

The fact that you have taken the trouble to read this booklet shows that you mean business. You and your fellow credit union leaders will not let these pages become merely hopeful expressions of what should be. You will make them a working checklist, within the framework of your special problems, and revised to reflect the benefit of your own experience and judgement. You will use them to help guide you in planning and directing an increasingly successful credit union enterprise.

Each year will find your members happier that they elected you. Your credit union will be stronger and more helpful. In addition, you will have gained priceless experience, with the priceless satisfaction that comes from serving well your fellow man.

### 9 Ways to Borrow \$1,000

Featured in Pageant Magazine

THE APRIL ISSUE of Pageant magazine uses animated charts to compare the propositions for borrowing \$1,000 in a hurry.

The comparisons consider:

1. The source
2. The Deal They Offer
3. Amount at Your Disposal
4. Total Interest You Pay
5. Apparent vs. Real Rate
6. Advantages
7. The Hitch

The article is favorable to credit union. However from our experience over the nation, we believe the figures for credit unions and some other lenders were selected from the exceptional rather than representative examples.

### Minus Economics, Plus Living

A CHILD makes the family ties stronger, days and nights shorter, the bank account smaller, clothes shabbier, home happier, life busier, and the future worth living for.

—BANKING.

# What We Need In This Desperate World

*Remarks by Jerry Voorhis before the Administrative bodies of Cuna during the February 1951 quarterly meeting in Chicago.*

THE COOPERATIVE LEAGUE recently arranged a conference for cooperative general managers at Excelsior Springs, Missouri. John Eidam, CUNA's national president was there. At one point there was a lull in the discussion. John cleared his throat and said: "If no one has anything to say at this point, I'd like to say a few words about credit unions."

Now, that is exactly the kind of spirit we need right now. You gentlemen represent one of the great movements among the people, not only in this country, but in the whole world. At the present time, there are two major things to be said about it, I think, and one of them is that a certain fly-by-night outfit, has gotten around to the point now where they are making some attacks upon the credit union movement along with other sections of the cooperative movement. The other thing is that there never was a time in all the history of the world when the organizations that you represent were needed as badly and as desperately in this country and other countries as they are needed today.

#### Informed Member's Power

If every credit union member in the United States was thoroughly informed of the benefits that credit unions can bring to people and of the things that they stand for, you would not need to worry about any criticism or any attacks. That is the basic job that we have before us. Every cooperative undertaking has that same problem. But if our own members only really understood and felt called upon to inform their neighbors of the benefits derived from voluntary cooperation, I do not believe we would have much difficulty with our public relations or with developing an industry among all the people as to what we are asking for.

Now let us see what we need in this almost desperate world situation: In the first place, we need a strengthening in every possible way of the fiber of our democracy and our free institutions. Military strength alone is not enough, al-

though it has to be considerable for the time being, at least. But what is most needed of all is a fundamental inner strength in the people.

There is a contest going on in the whole world. It is a contest which has on one side institutions that say that human beings are creatures of a God that gave them freedom; that they are capable of deciding their own fate and should have an opportunity to do so. That is one side of it. Then the other side says that human beings are pawns to be shoved around by dictatorships and the only values that are important are certain economic ones that the dictatorship is going to impose. The question is whether the world is going to be organized for freedom by the democratic will of free people, or whether it is going to be organized by conquest of the dictators.

#### Our Stake in Decisions

Well, that is a pretty big issue, as big an issue as the world has ever faced before, and along with it goes the question of whether our civilization is going to survive at all. If there is one thing that is fundamental to all of this, it is that in nations like ours there must be large numbers of people willing and able to make decisions. That is the difference between democracy and dictatorship, between freedom and totalitarianism, between liberty and serfdom. The people must actively participate in making decisions that affect their lives, and they have got to have ways of doing it—practical ways that effect their every-day lives.

It is not enough to say that on election day you can vote for a candidate or against him, as the case may be, and I have had both of them happen to me. That is all very well. But only about 50 or 60% of the people will vote and the rest do not do so. And of the 50% or 60% who do vote, many do not know what they are going to vote for or who they are going to vote for until they walk into the ballot box. That is why the politicians put up these big billboards with their faces on them. They do not look

very pretty, but somebody will see their name on the billboard and vote for them. Unfortunately that is the way it works to a great degree.

Now, that is not real democratic participation. Until we get to the point where the people are participating in making decisions that effect their every day life, we won't have the kind of a strong, stalwart democracy that we need.

#### The Best Thing to Work For

What do we need? Security and independence, and that begins with financial independence, and it begins with savings, and it also begins with people not being dependent upon the loan shark in time of critical family need.

So that is why I say the credit unions are basic cooperatives and that they are the starting point in enabling millions of people to control their own lives. There are the realms in which this decision making really counts. If this is good for America now, then the growth of credit unions is the best thing in the world to work for.

What else do we need? You need a broadened sense of ownership. Take a family, for example. We have lots of them where for generations back—the grandfather, the father, the son and all the way down the line—they have worked for wages in a plant that belonged to somebody else, have rented a house that belonged to somebody else, have owned hardly anything

except maybe a car. Then you come along and let them say that "that is my credit union", or "that is my cooperative business", "that belongs to me and I am partly responsible for it". Then you have done something for that person that is of tremendous importance from a point of view of every single person who believes in democracy or says that he believes in true economic freedom. You are giving people a stake in these great values.

#### A Positive Answer to Communistic Competition

Now, when you come to consider the whole world, what have we got to have? Well, we have got to not only hold forth the opportunity to people of other countries that if they will go along with the United States, they can be free and decide their own destiny, yes, that is a part of it. But, underneath governments there are millions of people throughout this world who have lived in poverty and ignorance and want for years, in great numbers, and who, right now, for the first time in a thousand years, believe that those conditions can be changed. They are going to change them one way or another. Well the propaganda agents from the Soviet Union are telling them exactly how they should change those conditions and making all kinds of golden promises, such as the all-important promise that if they follow along with them, the farmers will get land. Yes, the farmers get land but they get it for only about 15 minutes and then the commissars will take it away from them, along with 60% of their crops. That has apparently already happened in China, but these folks are on the move and there are two things that can happen. Either they are going to be led astray by the siren voices of Communism, or else we are going to have a really constructive alternative plan.

#### A Means to Solve Problems

We should not say, simply, you can be free; you can still keep your old government, even though it may not be worth anything. What we must say to these distressed people is that we have a program whereby they themselves, regardless of commissars, or anybody else, can take hold of their own problems and do something about them. Where do we start? We start by telling those people how, even though their accumulation of capital may be small, if they put it together, they can have a degree of economic strength.





That is where they begin. On that basis, they can organize their farmer's cooperatives so that instead of having to eat up their food within the next two or three weeks after production, or export it, they will have a way of preserving it and processing it, and distributing it.

That is the main trouble with these countries. They produce enough food, but they do not know what to do with it after they produce it. That is the first problem to be met in our whole point 4 program. Will it help to get big American companies to go over to these countries and open branch factories? That might economically be part of an answer, but it will not be the answer to the challenge of Communism or to these people who are seeking their real independence. But we have something better and something I hope that will be increasingly a part of the basic policy of this country. We do not have to export money or dollars or gadgets, but just the technical know-how of how the people can get together and democratically organize within the realm of freedom, their own economic strength.

The degree to which we do that at home is up to us. The degree that credit unions are expanding now to the West Indies and to the British Commonwealth to Latin America is the alternative. That is the device, as we see it, and I think it is very, very important.

#### Backing for Credit Unions

I might review for you what I have said many times before, that we are very proud indeed to have the relationship that exists between CUNA and its affiliated organizations and the Cooperative league. We want to help any way we can and I assure you we do it every time there is an opportunity.

We think there should be a credit union in every single cooperative organization in this country, and we think they should be used to a vastly greater extent to help commodity cooperatives to carry out their avowed purpose of operating on a cash basis instead of a credit basis.

We like the way some cooperatives operate, where they have a credit union right adjacent and where, when somebody comes in and wants credit, they are sent right over to the credit union office. All of that we can do, but we want to do much more. We won't do any things you don't want us to do. We want you to call on us as to what you want us to do with respect to

some of these unjustifiable attacks for example.

#### For Profit and Non-Profit

From the beginning of time in America there has been real economic freedom. What does that mean? It means that the people have a right to organize a business and to run it for profit if they want to do so, and it also means that they have a right to organize on a non-profit basis, and to run a business primarily for service and mutual benefit if they so desire. They have a right to do both of those things. Some of these NTEA people and other big interests apparently do not understand that. If they run a business for profit, we want them to make a profit out of it, because if they do not, it is bad for all of us. But to tell people they should be penalized for running a non-profit

business is the same as to say that a businessman who loses money must still pay taxes on the money he ought to have made, if he had not been so foolish as to lose money! Then they say, if somebody wants to run a non-profit business, he should be taxed on the profit he did not make, because he was foolish enough to serve his fellow men!

That does not make sense. If we are really talking about economic freedom, then the people have a right to do it either way they want to. Both profit and non-profit business are a part of the American system. They always will be. But right now the most important kind of business is the credit union kind, the cooperative kind, that helps millions of people to be owners and to take responsibility and to be masters of their own fate.

## ON THE LOOKOUT For Credit Union Ideas

E. K. Watkins

THERE IS A LOT TO LEARN from other people, and there is much to learn from visiting other credit unions. In Michigan, Al Marble, (managing director of the Michigan league) made some credit union visits possible. Stuart Japinga, Jr. took me to Pontiac to visit several credit unions. On the way we stopped in front of a neat, white, 2 story building. In the front window was a credit union display (see picture). The name Excello Federal Credit Union stood out. The office was across from the Excello plant in a building owned by the union. This credit union has no payroll deductions, but they are growing rapidly as indicated by the window display. As I looked at the display it oc-

curred to me that there had been numerous opportunities in the past for window displays that I overlooked. So to Excello I said thanks for the idea.

#### Seed Takes Root in Hard Ground

Stuart and I drove to Pontiac (Michigan) with our first stop at the GMTC Federal Credit Union. It occupies ground floor space in the Hotel (see picture). Bill Maneck the manager greeted us. This credit union has enjoyed a rapid growth (\$649,000 at the end of 1949, and over \$800,000 in October 1950). The board has set a goal of a million in assets by the end of 1950. It looked as if they would be a little short but close. It didn't take long for the



credit union spirit to be felt in this group. The credit union never had the blessing or cooperation of management. They have no payroll deductions, no privileges of plant communications, and no use of bulletin boards. The credit union started with just a handful of men, enough to be officers, and they were soon talking to their fellow workmen. When they found someone that wanted a loan or needed help badly they went to work to put the man in good shape financially.

#### Wife Gives Orphan a Chance

Soon the credit union grew too big for only pocket operations, and the treasurer opened up for business in his parlor after work. His wife soon found out she had something on her hands. From a few calls at the door, the operations soon grew into many door calls and calls at any time, and it got on her nerves while on the other hand the new awareness of the workmen's financial problems got on her conscience. Even so, all the intrusion in her home did not make her always happy. The big sums of money that belonged to other people was a concern, and she stated some of her objections.

The directors were also worrying about all this money and finally voted to buy a safe, but the treasurer didn't have the nerve to tell his wife. The safe arrived, and the treasurer directed them to take it to his house, but to leave it on the back porch. It came late in the afternoon, and as it was put on the back porch—plunk—it went right through.

Of course the Mrs. began to investigate. When she saw the plight, and realized they did not have the courage to tell her—she looked at them and said, "Oh! bring it in."



View toward front of GMTC Federal Credit Union office.

#### Makes Its Own Way in World

Later the credit union moved to the second story of an office building, and again to larger quarters on the ground floor of the Hotel building. (Note picture).

#### What Brings in New Members

As we were visiting, several directors stopped at the office and joined the conversations. When I asked how they could get so many new members and so much business under the apparent unfavorable environment, one director reached in his pocket and pulled out 5 pass-books and 3 or 4 membership cards that he had picked up that day. The treasurer said that many of the directors and committeemen stop in the office everyday. Then another spoke up, that once the credit union had taken hold, most of the new members came in to inquire about the credit union because another member had told them how good it was. When a new member came to inquire, he was thoroughly informed when he left, and well taken care of if he needed a loan. Also the union paper gave publicity to the credit union. The credit union operates under its own charter for all employees, but the union is for saving the employees from costly and unfavorable financial tangles.

#### Delinquent Loan Experience

What about delinquent loans? Yes! they have them. About 25% of the loans were delinquent a year ago. Many were referred to collection agencies, but on study the board voted to hire their own collector, Bob Harris. He not only has cut the percentage considerably, but has earned his salary comparatively, and has helped many delinquents to solve the real cause of their trouble. Before an account is turned



William Maneck, manager GMTC Federal Credit Union, Pontiac, Michigan.

over to Bob, two notices are sent out. One about 10 days after the account is delinquent, the second about 7 to 10 days later if no arrangement has been made by the borrower.

Bob uses personal letters, the telephone, and any means of communication available to find out the problem. He finds many afraid to come back for more money to meet additional problems that confront them. Some were temporarily out of work, and a few living beyond their income.

Out of 384 delinquent loans December 31, 1949, 120 made extension agreements that are without a miss in payments as of August 31, 1950. The volume of delinquent loans dropped 7.2% in 8 months.

#### Directors Have Special Books

Each director of this credit union has a loose leaf folder, and each receives copies of all reports including the monthly agenda prepared by the president, the financial statement, managers report, and delinquent loan report.

#### Insurance Reduces Expenses

In the discussion the directors emphasized the importance of being service minded, and that they carried Loan Protection and Life Savings insurance. I asked "Did you notice the ratio of expense to income in the Dairymen's Federal Credit Union of Detroit (The Credit Union Bridge, November, 1950) actually was reduced when they added Life Savings? How did it affect your credit union?" We looked, and sure enough the ratio of expense was reduced from 55% to 50% just nine months after taking their Life Savings contract.

#### Believe Me—I Joined

Why are the GMTC board so enthusiastic? I turned to one of the older directors, Nick Skosich, and

#### The Credit Union Bridge

asked him how he got into the credit union. "I didn't join this thing at first" he said. "Then one day one of the directors asked me, 'Did you ever borrow money?' I said 'Yes'. 'What rate did you pay' he asked next, and I didn't know. He told me to check and see, and showed me a couple comparisons. I had a loan for \$154 and the repayments totaled \$284. Believe me, I joined. Then my father-in-law was in a cave-in. It was midnight, and we could not get him in a hospital without \$75. I got the treasurer out of bed and soon had the \$75. After that I started to bring new members into this thing, and was eventually elected to the board.

"You know we used to have a lot of men called up to the personnel office and fired because they couldn't meet their payments and garnishments which were pending. Many of the men were faced with needs and high finance charges beyond their capacity. We used to watch for these men and see if we could work out a loan that would put them on their feet, and keep them on the job."

One director got in his view, "The way this thing works is like a man in a foreign automobile that is stuck along the road. Then you stop like a good samaritan and pull him out. He goes his way thinking you are a good fellow. We have grown in this credit union because we believe it is worth while to go out of our way to help whoever needs it."



### 15 Years of Building Pictured in Annual Report of Cuna Mutual

**"F**IFTEEN YEARS OF BUILDING" have ended for CUNA Mutual Insurance Society! This is the title of the 1950 Annual Report, which gives a complete and colorful picture of the company's

services. A quick-moving history and well illustrated charts show the amazing growth of the organization since 1935. Copies of the report were mailed to policyholders and all credit unions late in March, two months earlier than usual. Additional single copies are available upon request to CUNA Mutual Insurance Society. Nineteen Fifty was both the fifteenth anniversary of CUNA Mutual, and the greatest year in its entire history. More credit union people were covered by insurance, and more new policies were issued than ever before. Cuna Mutual has a wider spread of credit union coverage than any other insurance organization in the Western Hemisphere. Dunne's Insurance reports have consistently given the company an A + Excellent rating.

The first few pages of "Fifteen Years of Building" describe the founding of Cuna Mutual. The original purpose of the company was to provide Loan Protection at low rates. During the years, however, a Life Savings Plan (which matches savings with insurance) and three kinds of individual policies have been added to the program. Premium rates have been kept unusually low, and the company earnings are shared as dividends. Free counselling service is available to all credit union members.

The report also contains a number of tables which compare Cuna Mutual's business fifteen years ago and now. At the end of 1935, the company had written 370 insurance contracts. Today nearly nineteen thousand policies are in force. The original capital of the company, borrowed from Edward A. Filene, was \$25,000, plus \$10,000 for operating expenses. The assets now total over \$4 million. During fifteen years of business, 54,297 death and disability claims have been paid.

Throughout the report, emphasis is placed upon the help which credit union people have given to their own insurance company. President Moses Davis writes in his opening letter: "Businesslike methods and able administration have helped—but even more important has been the cooperative spirit of the members." And indeed, business and brotherhood have always worked together well in Cuna Mutual. The story between the bright covers of the 1950 Annual Report is one of progress and heart-warming success.



**J. C. French**

**New Cuna Field Representative**

THE SOUTHEASTERN DISTRICT will have Jesse C. French as a Cuna representative in addition to Hasell Hood. This brings to pass the plan proposed to the National Board last year by the Budget and Dues committee, which proposed two field representatives in the two largest Districts, the Canadian and Southern Districts.

Mr. French was born in Rossville, Georgia, which is just across the state line from Chattanooga, Tennessee. In 1937 Jesse joined the Peerless Woolen Mills Employees Credit Union. A year later he was asked to serve on the supervisory committee. One qualification for the job, was that after graduating from high school in Chattanooga, he took accounting by correspondence.

Not being satisfied with a superficial check of the books, Jesse found a number of things about the credit union that he liked, and in fact he made up his mind he wanted to do full time credit union work.

A rumor reached him that the S. T. N. Employees Federal Credit Union of Chattanooga wanted an assistant treasurer. Jesse was so anxious to get into full time credit union work that he took a two-thirds cut in salary temporarily to get the job. The credit union and the job both grew.

In 1943 he was married, and entered the army, and in 1946 he was back to his old job as treasurer.

Mr. French likes to fish, but credit union activities compete with his fishing. He has served as a director of the Tennessee Credit Union League.



# What About It?

Answers to your credit union questions by Cuna assistant managing director

BY C. F. EIKEL, JR.

## Source of Legal Information

QUESTION (FROM WASHINGTON):

Where should a credit union go with legal questions?

ANSWER:

The credit union leagues and the national association were created for the purpose of acting as liaison agencies between the credit union and state and federal supervisory bodies. It is the business of the leagues and the national association to answer all credit union questions, legal or otherwise. Since most of the credit union laws were originally drafted by the Credit Union National Extension Bureau, certainly the author of those laws is in a better position to answer legal questions pertaining to these laws than any other person could possibly be. We are establishing a legal department at National headquarters and we hope that any legal questions which cannot be answered by the managing director of the league will be submitted to this office. Before employing an attorney, bring your problem to the league or the national association. You will probably save a great deal of money through this procedure. Credit unions should not flood state and federal supervisory departments with questions. Most of these questions can be answered by the managing director of the league. At least all questions should clear through that office, thus lightening the burdens of the governmental departments referred to.

## Correction on Regulation 'W'

QUESTION (FROM WASHINGTON):

In your letter of November, 1950 explaining Regulation W you state that using the Statement of Changed Conditions will allow the revised loan to be written for a period of 24 months from the date of revision. We have been advised by other sources that this is 18 months rather than 24.

ANSWER:

The 18 month's period is correct. At the time of preparing the letter, the figure 24 was erroneously



You are invited to submit your questions on any credit union problems to this department. You are also welcome to contribute your own ideas on the answers printed here. What's on your mind?

shown and the error not detected until the letters had been mailed. The 24 month period was correct from the time the regulation was enacted on September 18, 1950 until the date of the first amendment on October 14, 1950. Any loans revised by use of the Statement of Changed Conditions during that time could properly allow the 24-month period. Since October 14, 1950, however, 18 months is the maximum time allowed by using the Statement of Changed Conditions.

## Wants to Keep Insurance

QUESTION (FROM FLORIDA):

A member has \$1000 in his share account. He is 58 years of age, but the full \$1000 was on deposit prior to his reaching age 55, so he has the full \$1000 coverage under our Life Savings insurance agreement.

He is buying a new car and needs \$1000 to complete the payment. He is requesting the loan for 24 months and will give the new car as security. Can we grant this loan as he requests, since he is actually doing nothing more than borrowing his own money? He doesn't want to lose his insurance benefits if he can avoid it.

ANSWER:

You can grant this loan for the 24 months desired and not have the member lose any of the benefits under the Life Savings insurance. The loan must be secured by his shares and no withdrawal can be made from the share account below

the amount of his outstanding loan for which the shares are used as security.

## Regulation "W" Puzzle

QUESTION (FROM ILLINOIS):

We are somewhat confused by the apparent conflict between some sections of Regulation W and between some of the interpretations that have been given in regard to specific cases. One section exempts loans entirely secured by shares, while another forbids loans for down payment. One interpretation we have been given indicates we can make loans up to the amount of shares of the member on any terms and can loan additional amounts subject to the Regulation terms. Another interpretation indicates this is not true in all cases. Can you clarify this situation for us and illustrate the kind of loans we can make without violating the Regulation?

ANSWER:

This subject has been the cause of considerable confusion. There is a section (7k) of the Regulation which exempts loans which are entirely secured by shares. There is also a section (6i) of the Regulation which prohibits loans for down payment on listed articles. There is, in addition, a section (6d) of the Regulation which permits dividing any credit into its component parts and handling each as though it stood alone. All of this combines to create a rather confusing situation.

To clarify the matter, you must first understand that the Regulation provides for both maximum loan value and maximum maturity in regard to listed articles, while it provides only maximum maturity for loans for unclassified purposes. Therefore, the two cannot be handled identically.

Loans for unclassified purposes may be divided and the portion equal to the shares of the particular borrower may be made on any terms acceptable to the credit union. The remaining portion must comply with the requirements of the Regulation—be repaid in 15 months and meet applicable requirements of fre-



quency and amount of payments.

For example, a member who has \$200 in shares wishes to borrow \$600 to pay taxes, buy clothing, or for any other unclassified purpose. The loan may be divided, and \$200 made on terms which the credit union would normally accept. The remaining \$400 loan must provide repayment in 15 months—roughly \$27 per month, plus interest. (Repayment of the entire \$600 loan within the 15 months provided by the Regulation would require payments of \$40 monthly, plus interest. There is some measure of relief in using the plan outlined.)

Loans for purchase of listed articles present a slightly different picture. A loan equal to the share balance of the particular member may be made at any time and for any purpose and on terms acceptable to the credit union. Such loans are exempt from the Regulation. If, however, an additional amount is desired and the purpose is purchase of a listed article, the loan for the additional amount may be made only if the total of all credit in connection with the purchase does not exceed the maximum loan value listed for the article in the supplement to the Regulation. The additional amount is subject to maximum maturity requirements for the particular article as listed in the supplement, also.

For example, a member who has \$500 in shares desires a loan of \$1500 to purchase a car. Again, the loan may be divided and a loan of \$500 made on any terms acceptable

to the credit union. The loan for the remaining \$1000 may be made only if the total of the two (\$1500) does not exceed the maximum loan value for the car as listed in the supplement to the Regulation. The \$1000 loan must be repaid in 15 months. (Again, some measure of relief is afforded by using the plan outlined. Repayment of the full \$1500 loan in 15 months would require payments of \$100 monthly, plus interest. Repayment of the \$1000 loan in 15 months would require payments of a little less than \$67, plus interest.)

### Wants a 30 Month Loan

QUESTION (FROM NEW JERSEY):

We have an application for a loan of \$500 to pay taxes and miscellaneous store bills. The terms for repayment requested are 30 months at \$16.66 per month. The member has \$200 in his share account so we can grant the loan without security. What about the time limit? Is there any way we can work it so as to give him the 30 months requested?

ANSWER:

Yes, you can grant the loan for the 30 months requested. The \$300 amount which is not secured by shares must be paid off in 15 months. Therefore, the monthly payment for the first 15 months must be \$20 instead of \$16.66. The \$200 secured by shares comes under the Exempt Loans of the Regulation, so you can make any terms for repayment mutually agreed upon. To pay off the full loan in 30 months, the last 15 monthly payments will be \$13.33.

To do this, however, the \$200 in the share account must be pledged as security and cannot be withdrawn below the amount of the loan balance outstanding.



Jack W. Burns

Asst.-Mgr. Cuna Canadian Office

JACK W. BURNS has been added to the Cuna staff to serve as assistant manager of the Cuna Canadian office.

Jack's career in credit unions began shortly after the passage of the credit union act in the province of British Columbia in 1939. He became a charter member of the Stry Credit Union and served as a credit committeeman and as a director.

In 1941 Mr. Burns became a director of the British Columbia Credit Union League. Following this initial start in league work, Jack served the league as vice-president and president, and later as the full time managing director of the league, until resigning to accept a position with Cuna.

In a national capacity Mr. Burns represented his league as National Director, the Canadian District as vice-president in 1948 and 1949, and as a director of the Cuna Mutual Insurance Society following the 1950 election until February 1951 at which time he resigned.

Mr. Burns is married, and has a boy and a girl.

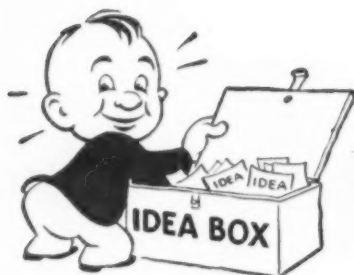


Here delegates to the New Jersey League Convention show interest in the two new credit union books, *CREDIT FOR THE MILLIONS* and *THE POOR MAN'S PRAYER*. G. G. Gudmundson, kneeling second from left, expressed his feelings in a comment: "Every credit union member should read these books in order to know more about credit union life."

### COVER PICTURE

Much of the success of credit unions depends upon league activity. The cover picture shows Lawrence Villeneuve, Emil Francione, and Al Fahrenkrug during a Wisconsin Credit Union League board of directors meeting.





## Idea Exchange

**H**ERE ARE NEW AND TRIED publicity ideas. Ideas in the mind of the member is the first step to his participation in the credit union. Credit union understanding widens the field of opportunity and happiness for the present and potential members.

THE CREDIT UNION BRIDGE suggests:

1. that you mark and use the ideas which attract you.
2. that you adapt them to conversation, pay inserts, circulars, blotters, posters, and house organs.
3. that illustrations be reproduced by tracing, photo-offset, or photo engraving.
4. that mats of Idea Exchange Features may be purchased for 30c each from The Credit Union Bridge for printing uses. (See below).
5. that each release contains full directions as to where and when credit union service is available.

Please send copies of all your publicity material to The Credit Union Bridge. Your participation in the Idea Exchange is helpful to other credit unions and sincerely appreciated.

### MATS AVAILABLE

Mats, from which cuts for reproduction may be economically made, are available for Idea Exchange features when so indicated beneath the feature. These cost 30 cents each. Orders should be sent, and checks made payable to The Credit Union Bridge, Madison 1, Wisconsin.

### Family Economy

#### TO: THE MEMBERS

An inspection of our 1950 annual statement attached to these reports discloses the fact that the Peoples Credit Union is entering its sixth year of operation in excellent condition.

Credit controls recently applied by the government will affect loans to some extent, but our members may be assured we will continue dividends at the highest rate con-

sistent with sound principles and to make loans at an interest as low, if not lower than any other credit source in this vicinity.

This credit union has made 2145 loans totaling \$859,140.99 since we began operations and has saved for its members approximately \$79,000 in interest as compared with legal rates that might have been charged for small loans. At the same time our dividends which have never been less than 3½%, per annum amounting to \$12,231.29.

This service plus the insurance benefits referred to in president Weber's report has made membership in the Peoples Credit Union a valuable addition to the family economy.—*Earl Rentfro, Treasurer Peoples Credit Union, Miami, Florida.*

### Take a Look at Our Neighbor

Burlington Steel Employee's Credit Union has 341 members, with an average share savings of \$530. We thought Canada Works was doing good, but we fall far short of that average. Not only have they a large share savings average, but out of 341 members, 320 have taken advantage of their loan service. Yes, they have only 21 members who did not take out a loan during 1950. This shows that Burlington Steel Employees know the value of their credit union and making good use of it, we congratulate them.

Although practically every member has taken out a loan, they are practicing thrift at the same time. They have only 76 members with less than \$200 share savings. The other 265 members have over \$200 to their credit.

We have many members who take out loans and repay promptly, but, they forget to keep adding to their share savings, a lot, we regret to say, once they have repaid their loan, forget about the credit union altogether until they require another loan.

Last summer your credit com-

mittee had to whittle loans down because of the shortage of ready cash, some members with substantial savings had to be content with loans far less than what they had asked for, because loans had already been made to members with only meagre savings. As can readily be seen, the disappointed members had good reason to kick.

Loans can only be made according to the amount of savings accumulated, and will only be made to those members who have proved their willingness to practice thrift.—*THE EYE OPENER, Canada Works (Stelco) Credit Union, Hamilton, Ontario.*

### Outstanding Accomplishments Of the Credit Union Movement

Credit unions have been the medium of curbing excessive interest charges on loans to the ordinary person.

Credit unions have made the ordinary person aware of his or her economic potentialities.

Credit unions have demonstrated that excessive profits are not necessary in loan transactions.

Credit unions have proven the ordinary person is honest and that his word can be relied upon.

Credit unions pioneered the granting of small loans.

Credit unions have proven that

### for SAVE-MONEY CASH-



### MAY POSTER

Encourage your clever members to turn to their credit union for money they need to buy tools and materials they need to make better buys than they could buy already made.

Single posters are 25c each; additional posters in the same mailing 12½c each—all less 20% discount to member credit unions in U.S.A. Subscriptions for 12 monthly posters are 10 times the above prices. (Mats available; see column one.)

## Idea Exchange

it does not take an expert financier to manage finances.

Credit unions are an additional proof that through cooperation all things are attainable.

That your credit union will continue to be of service to its members is paramount in the minds of all its directors.—*John Ebersole, Director Orange County Teachers Credit Union, California.*

### A Healthy Business

A total of 751 loans were approved by your credit committee during the year 1950. A review of these loans seems to indicate a continuance of the trend of recent years—Members are becoming increasingly aware of the advantages of a credit union loan. Especially encouraging is the revelation that many members are transferring loans from higher-rate-of-interest lending institutions.

An analysis of the year's service reveals many and varied purposes advanced for loans such as: consolidate debts, doctor, dental and hospital expense, home repairs, down payment on homes, lumber, current expense, suit for husband, buy restaurant, cars, car repair, television set, furniture, educational, fuel, clothes, insurance, taxes, purchase of materials for spring delivery, travel, vacation, moving expense, groceries, pay for digging well, repay brother, repay personal finance company note, wedding expense, gift, attorney fees, pay bank loan, purchase stock for filling station, purchase materials for awning business, electrical supplies, recreation, buy ladders, earnest money, Xmas shopping, legal expense to change name and many others too numerous to mention.

Seventy-seven loans were for the purpose of making down payments on homes or home improvement. We are truly happy that our credit union could help this number of folks enjoy one of America's greatest heritages—the right to own a home as well as become financially independent.—*Ruth Ryan, Chairman, Cuna Credit Union, Madison, Wisconsin.*

### The Lonely Egg

If you're old enough to have an account in the credit union, you've probably heard about the birds and bees and the little flowers.

There's another Fact of Life—one your mother may not have told you. It's simple too, but important.

This is it: You can't save money unless you put it away. Take that nest egg of yours—that cold, lonely little five bucks you stowed away in your ARRFCU account and forgot all about. Why not warm it up? Give it some company. Double it or triple it right now, then make regular deposits at a rate you can afford.

A lonely nest egg never fed anybody. But when you set out a whole clutch of 'em, and give 'em care, one fine day you'll have good fried chicken. And a deep pile of feathers to light on when hard luck kicks

your feet out from under you.—*Alaska Railroad Federal Credit Union, Anchorage, Alaska.*

### A Report To Our Members And Other Employees

We are only two months old and our assets have grown to approximately \$15,000 in that relatively short space of time. During the past month we have added 101 new members and we now have 522 members in the U. S. M. R. Employees Federal Credit Union. In our monthly statement, issued recently, as of September 30th, 1950, your deposits with us have amounted to \$15,001.09. Of this amount we have

## Round 'em up!



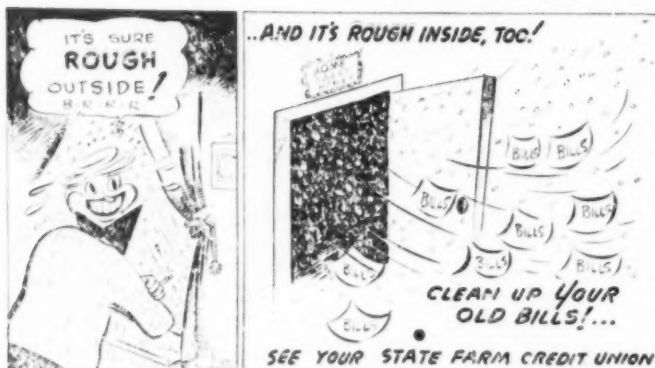
A loan should be used only when it is the best solution for your family problems, and then used wisely and to good purpose....to pay old debts ...meet medical expenses....pay taxes....make necessary repairs to your home....buy winter fuel....clothing for your family.

If you are in need of financial assistance your Alaska Railroad Credit Union is in the position to lend you funds up to \$300.00 to be repaid on easy monthly payment plan covering a period of one year.

ALASKA RAILROAD FEDERAL CREDIT UNION  
ANCHORAGE, ALASKA

The first credit unions in Alaska were started in late 1948. The above contribution comes from this newly developed area, which now has 12 credit unions.

## Idea Exchange



State Farm Credit Union, Bloomington, Illinois used this cartoon in ALEI News an employee paper.

loaned out to our members a total of \$13,020; so you can readily see that your money is already working for you.

During the past month, we are happy to report that two of our top ranking members of the executive staff, the president and vice-president, respectively, of our company, have become members of our credit union.—U.S.M.R. Employees Federal Credit Union Carteret, New Jersey.

### Still Growing

Your credit union now has a membership of 2,160 members. This is a growth of about 400 in the past six months. If you are not a member why not join to-day?—RELAY, Toronto Telephone Employees Credit Union, Toronto, Ontario.

### Sample News Story

*From Pittsburgh Press*

**MEMBERS OF EAST LIBERTY SETTLEMENT HOUSE LEND UNUSUAL TWIST TO LOAN BUSINESS**

Members of the country's most unusual savings and loan cooperative meet tonight to vote on a proposed 3½ per cent dividend.

By no means a million dollar operation but sounder than many that are, East Liberty's Kingsley House Federal Credit Union is now 11 years old.

It is organized and managed by neighborhood people who are members of the settlement house. And its books bring beams to the faces of examiners.

Its assets as of December 31, were \$31,682.94, representing the savings of 272 members. Throughout the years it has made 749 loans of which only nine have gone sour.

National credit cooperative officials call it a fine record.

Organizers of the credit union were members of the Kingsley House Fathers Club who reasoned that "if we save separately it doesn't amount to much, but if we save together we can help each other out."

They raised \$25 for a charter and went on to save \$469.32 the first year.

### FOUNDER BREAKS ICE

Eventually the loan committee protested that the operation was all savings and no loans, and members expressed the plea that somebody should please take out a loan so they'd have something to do.

One of the founders reluctantly took a small nibble, explaining that he didn't really need the money but felt the loan committee should get some experience.

Once the ice was broken, however, other members began using their borrowing privileges. Loans were used to send sons to college and to finance the costly business of converting daughters to brides.

### YOUNG, OLD INCLUDED

Recently a 76-year-old grandmother borrowed money to take a plane trip—her first—to the West Coast to visit two married children.

Ages of members range from youngsters of nine to members of Kingsley's Grandmothers' Club.

Loans and collections are handled in a neighborly sort of way, much as neighbors might borrow and return—or be asked to return—a lawn mower or cup of sugar.

Business is transacted by members who serve without pay. The board is composed of seven members, with a credit committee of

five. The latter group meets whenever a loan is requested and decides on whether to grant it.

Officers are James Aiello, president; Mrs. Frances Simarik, secretary; and Mrs. Ada Dunn, treasurer.

### A Little History for Members

The term "Credit Union" often confuses the uninitiated who think immediately of credit bureaus. The name instead is really a shorter and less cumbersome way of saying "Co-operative Savings and Loan Club".

Alphonse Desjardins formed the first credit union in North America at Levis, Quebec. His action, which at that time was considered revolutionary by some, was prompted by the financial suffering he saw among his fellow townsmen.

His self-appointed task was a hard one. It was difficult to make prospective members understand that the credit union was strictly their own, and that it existed only to serve them, that they had complete control of it because of the policy "one member, one vote" regardless of the number of shares held by any one member.

But Desjardins persisted, and by 1909 he had the credit union "ball" rolling so well that it attracted widespread attention in the United States. Boston department store magnate Edward Filene became so interested that he undertook to introduce the movement into the United States, and it is understood that he used much of his personal fortune to underwrite the cost of initial organization.

In the period from 1909 to 1921 the credit unions in the United States went through the experimental stage. Between 1921 and 1935, Mr. Filene, who professed no desire for any personal gain, and never received any, is reported to have laid out about \$1,000,000 of his own money to consolidate them. Today there are some 12,000 credit unions in Canada and the United States, which are banded together for their "mutual protection" in Provincial or State Leagues, and the Credit Union National Association—CUNA.

Ten years ago credit unions were practically unknown in British Columbia, this Province being the last to set up a credit union act. This was approved and became law in 1939. Now there are

## Idea Exchange

more than 200 such groups scattered throughout the Province, which are welded into the British Columbia Credit Union League, with almost 50,000 members.

They have their own Central Credit Union which serves as a banking concern for all branches, their own health service and insurance company.—VICTEL BULLETIN, *Victel Credit Union, Victoria, British Columbia.*

### Old—But Essential Facts

The credit union is "owned" by its members.

The credit union board of directors is elected by a vote of members at the annual meeting.

Officers are elected by the board. Members of the credit committee and supervisory committee are also elected by members.

A \$5 share is enough for membership. The entrance fee is 25c.

Every member can vote at the annual meeting, but each member has only one vote despite the num-

ber of shares he may have.

The Navy Department does not run the credit union however, it provides support through provision of space and related facilities.

The financial report of the credit union is posted each month in credit union offices.—CREDIT UNION NEWS, *Navy Department Employees Federal Credit Union, Washington, D. C.*

### Wise Men Say

● Let us not pray for a light burden, but for a strong back.—*Theodore Roosevelt.*

● Someone is counting on you, and on me. If we fail to remember the responsibility which such confidence entails, we have lost the proper sense of our importance.—*Rev. F. Howard Callahan, New York City.*

● A man really isn't poor until he can't laugh.—*DETROIT NEWS.*

● A failure establishes only this, that our determination to succeed was not strong enough.—*BOVEE.*

● Every year we all part with a goodly sum of hard-earned cash that we might otherwise save if we knew how to buy.—*SPOKANE (WASH.) DAILY CHRONICLE.*

● When a business is conducted according to the Golden Rule, it requires but a handful of customers to spread the word far and near.—*Harold S. Kahn.*

● I think if all wives would add up today the amount of money they've spent in the last six months, they would be more careful when they go shopping tomorrow.—*Hettie Mae Neill.*

● Not many people cling to a stalled band wagon.—*INDIANAPOLIS NEWS.*

● Thru books . . . ideas find their way to human brains, and ideals to human hearts and souls.—*Dorothy Canfield Fisher.*

● If we have no faith in ourselves and in the kind of future we can create together, we are fit only to follow, not to lead.—*Charles Luckman.*



See your EMCO treasurer for financial help.

FOR UNEXPECTED EMERGENCIES,  
CONSOLIDATION OF BILLS,  
HOSPITAL OR MEDICAL EXPENSES,  
BORROW WISELY AS MUCH AS NECESSARY,  
WHENEVER NEEDED,  
ONLY AS MUCH AS IS NEEDED.  
FROM THOSE WHO HAVE YOUR WELFARE AT  
HEART.  
WHERE FRIENDLINESS PREVAILS,  
REPAYMENTS ARE EASY,  
COST TO YOU IS LOW.



*The Banana . . . .*  
That leaves the bunch  
gets SKINNED.  
*Stick to EMCO*

The above posters were used by the EMCO Credit Union of Milwaukee, Wisconsin.



# 12 Months Organization Drive Nets 1052 New Credit Unions

By W. B. Tenney

Assistant Director of Organization

**T**HE 107 NEW CREDIT UNIONS reported by 28 states and provinces during February was the highest total in any February since 1940. It was 41 better than January 1951, and 13 more than February last year. It also helped bring the 12 month total in the new Credit Union Drive to 1952—just 148 short of our 1200\* goal. California was first for the month with 15 reported. Ontario was a close second with 12. Illinois was third with 9, followed by Michigan, with 8, and Indiana and Pennsylvania with 6 each. Although Illinois was outscored during the month, they held onto their position for the whole Drive and finished with a total of 87. Ontario was next, with 82; California reported 80, Michigan reported 68, and Texas reported 57. These 5 leagues together accounted for a little more than 35% of the Drive total.

Although we did not reach our Drive goal, we did surpass the totals of previous Drives. The value of these annual Drives may be implied in the following report of annual results:

1946 Drive Total	566
1947 Drive Total	634
1948 Drive Total	861
1949 Drive Total	1037
1950 Drive Total	1052

Two of the Districts succeeded in going over their quota. This is less than the number that went over the top last year, but the quotas were increased for this Drive. All but two of the Districts reported well over 100 credit unions, and the Southern District was only one short of the 200 mark. Final standings of the Districts are as follows:

District	Quota	Organized	Percent
Central	180	196	108.8
Western	150	159	106.0
Southern	225	199	88.4
Eastern	195	167	85.6
Canadian	185	155	83.8
Midwestern	125	84	67.2
Northeastern	140	92	65.7

The final League Honor Roll for the 1950 Drive contains the names of 19 leagues which reached 100% or more of their quota. This is considerably less than the 33 names which appeared on the final Honor Roll of the 1949 Drive, but again, the quotas were changed. Of the



EACH MONTH our igniter above will portray our progress in the new Credit Union Drive.

The Goal: 1200 new credit unions between March 1, 1950 and February 28, 1951.

Let's all help him boil the mercury.

select 19, there are 10 which are repeaters from last year. Here is the League Honor Roll as of February 28, the end of the 1950 Drive:

League	Quota	Organized	Percent
Nevada	2	5	250
New Mexico	2	4	200
South Dakota	6	11	183
Georgia	15	25	167
Idaho	8	9	167
New Jersey*	25	40	160
Colorado*	10	16	160
Ontario*	55	82	149
British West Indies*	5	7	140
Florida*	20	25	125
Washington	20	25	125
Arkansas	4	5	125
Illinois	70	87	124
Louisiana*	23	27	117
Utah*	8	9	112
California*	75	80	106
Michigan*	64	68	106
Quebec	7	7	100
Wyoming*	2	2	100

\*Indicates repeaters from last year.

The total shown for South Dakota is less than shown on previous lists as a duplication was discovered during February.

Here are the final standings of all leagues according to reports at the end of February:

League	Quota	Organized	Percent
Illinois	70	87	124
Michigan	64	68	106
Wisconsin	22	21	95
Indiana	24	20	83

WESTERN DISTRICT		
Nevada	2	5
New Mexico	2	4
Idaho	8	9
Colorado	10	16
Washington	20	25
Utah	8	9
California	75	80
Wyoming	2	2
Hawaii	8	8
Oregon	9	4
Montana	7	3
Arizona	3	1
Alaska	1	0

SOUTHERN DISTRICT		
Georgia	15	25
British West Indies	5	7
Florida	20	25
Arkansas	4	5
Louisiana	23	27
Texas	60	57
South Carolina	4	3
Alabama	15	12
Puerto Rico	9	6
Oklahoma	11	7
Tennessee	18	11
Kentucky	13	8
North Carolina	17	30
Mississippi	5	1
Canal Zone	2	0
British South America	1	0

EASTERN DISTRICT		
New Jersey	25	40
Pennsylvania	50	48
Virginia	15	18
Maryland	20	17
West Virginia	10	7
Ohio	65	39
District of Columbia	10	3
Delaware	0	0

CANADIAN DISTRICT		
Ontario	55	82
Quebec	7	7
British Columbia	24	19
Manitoba	18	14
Saskatchewan	26	17
Nova Scotia	20	9
New Brunswick	7	3
Alberta	20	4
Prince Edward Island	6	0
Newfoundland	2	0

MIDWESTERN DISTRICT		
South Dakota	6	11
Kansas	17	14
Missouri	35	28
Nebraska	13	10
Iowa	23	9
Minnesota	25	9
North Dakota	6	2

NORTHEASTERN DISTRICT		
Connecticut	25	23
New York	55	39
Massachusetts	30	21
Maine	7	4
Rhode Island	10	3
Vermont	8	2
New Hampshire	5	0

Two more names were added to the National Director Honor Roll during February, and the number of credit unions increased by 10. There are, at the end of February, 41 names listed and a total of 91 credit unions. The total should easily reach the 100 goal by the end of April and quite a few names should be added by that time. Here is the list according to reports to the end of February:

E. C. Moore, Georgia	16
P. H. Montgomery, California**	10
L. R. Nixon, Connecticut**	8
K. Little, Utah**	5
B. Vetter, Iowa*	5
M. F. Gregory, Illinois	3

The Credit Union Bridge



C. W. Hudson, Texas	3
D. G. Reimer, Manitoba*	3
S. Stahl, New York*	3
J. Best, Ontario	2
J. W. Burns, British Columbia*	2
R. Bendel, Oklahoma*	2
W. A. Smith, Arkansas	1
J. W. Grant, District of Columbia	1
T. Attwood, Florida	1
H. Claywell, Florida	1
G. J. Koller, Idaho**	1
H. E. McArthur, Illinois	1
H. Moses, Louisiana	1
D. Arsenault, Michigan	1
W. Hoffman, Minnesota	1
J. Flannery, New Jersey	1
G. Gudmundson, New Jersey	1
S. McMahon, New Jersey	1
T. Murphy, New Jersey	1
E. A. Smith, New Jersey	1
H. Stricker, New Jersey**	1
F. Taylor, New Jersey	1
J. D. N. McDonald, Nova Scotia	1
A. P. Quinton, Ontario	1
C. J. Watson, Ontario	1
R. Goetz, Pennsylvania	1
W. Lawry, Pennsylvania	1
M. Pottiger, Pennsylvania	1
F. Tokay, Pennsylvania	1
C. E. Burdick, Texas	1
S. Jackman, Texas	1
H. B. Yates, Texas	1
W. G. Lonergan, Washington	1
R. F. Bergengren, Vermont**	1
F. Beard, Virginia	1
*Full Time Managing Director	
**Part Time Managing Director	

#### Volunteer Organizers Contest

The period of the Volunteer Organizers' Contest is over, but final reports must wait confirmation by the end of March. It appears to have been the most successful contest to date, both in number of contestants and total of new credit unions reported. Certainly it was a close race right down to the final hour. Here are the standings as of February 28:

E. C. Moore, Georgia	16
R. Law, Michigan	15
W. Richards, Ohio	12
G. Vanderwall, Michigan	6
G. Laumann, California	5
J. Quinlan, Texas	5
C. Hough, Illinois	4
F. Davis, California	4
M. Van Dyk, Colorado	3
M. F. Gregory, Illinois	3
E. Holder, Tennessee	3
R. Schumacher, Michigan	2
A. Ivison, New York	2
T. Williams, Ohio	2
F. Rauer, Connecticut	1
F. Hutter, Illinois	1
L. P. Duncan, Michigan	1

According to these reports, 17 contestants have organized a total of 84 new credit unions. Official returns will be published in a succeeding issue after the reports have been confirmed.

A new contest began March 1, 1951 and will extend to February 28, 1952. Right now is the time to enter your name and get an early start toward a prize. Any volunteer organizer may enter, and any contestant can win a prize. To enter the contest, follow these simple rules:

1—Write a letter to Mr. T. W. Doig, Managing Director, Credit Union National Association, P. O. Box 431, Madison 1, Wisconsin, advising him of your intent to enter the contest and listing any credit unions you have organized since March 1, 1951.

2—Soon after the organization of each credit union, report that fact by letter to Mr. Doig.

3—On or before March 31, 1952, send Mr. Doig a complete list of all credit unions you have organized within the contest period.

When writing your letter to enter the contest, ask for the free Volunteer Organizers' Kit of useful material to help in your efforts.

#### The Organizing Spirit

IN THE EYE OPENER, the credit union member paper for Canada Works (Stelco) Credit Union we find this item.

"Canada Works Credit Union is right on the bit when it comes to organizing new credit unions. After just completing the organization of Brantford Works Credit Union, they are now engaged in getting one started at the Glass Works. If you know of any firm's employees

where they would like to have a credit union started just hand the name in to any of your officers, they will be only too happy to help."

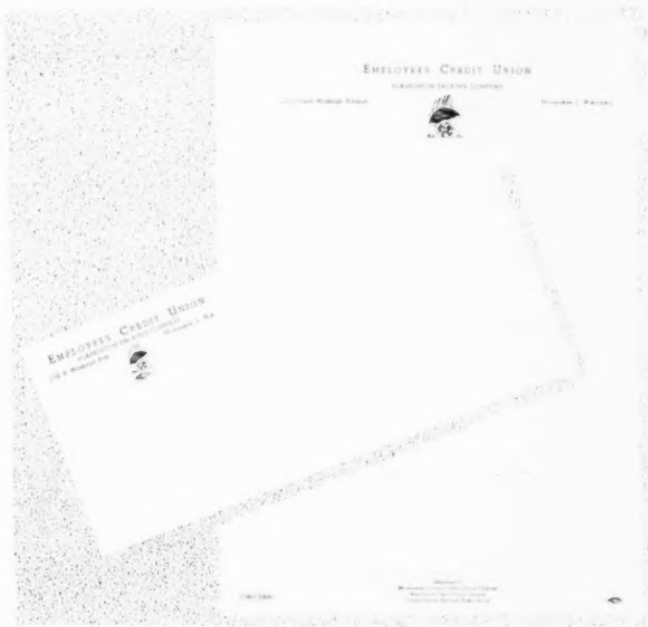
#### New Jersey's Founder's Club

By Willard Johnson

THE FOUNDER'S CLUB of New Jersey was launched during the annual meeting of the New Jersey Credit Union League in February.

The purpose is to get more credit unions organized. The new association hopes to keep the present volunteer organizers active since they have proven their ability for organization work.

The association wants all credit unionists to qualify for membership by forming their first credit union as soon as possible.



*It's business-like; it's smart advertising*

to have your own matched letterheads and envelopes. That is, it is if they are well designed and make a distinctive "credit union" impression.

Cuna Supply matched stationery, specially designed for your credit union, and featuring the credit union copyrighted trade mark, fill the bill.

Send us your credit union's full name and address, and probable supply needed, for design suggestions and estimates of cost. No obligation.

#### Cuna Supply Cooperative

Madison 1, Wisconsin; in Canada, Hamilton, Ontario  
Owned and operated by credit unions through their leagues.



# The Way I See It

## League Work Acknowledged

TO: THE D. C. CREDIT UNION  
LEAGUE (Copy to CUNA)

We are very happy to enclose our check in the amount of \$566.03 in full payment of our dues to the League for 1951. We trust the League has prospered during the past year and that its services have been accepted by those credit unions who heretofore have failed to realize the benefits appertaining to such affiliation.

Hubert, we sincerely thank you and the league for your very considerate attention to our growing pains during our three and one half years of existence. The services rendered by you and the National Association can never be measured in the exacting terms of the cash we pay in the form of dues. Who can establish the monetary worth of your legislative activities, the counsel and advice so sorely needed by an embryo credit union, or the services of the Cuna Mutual Insurance Society to the families of deceased members through their in-

surance coverages? Certainly we cannot. We can only express our heartfelt gratitude to those who have aided us in serving our membership.

The credit union movement is to be complemented for developing such democratic leaders as yourself and we trust the District League will always exemplify your democracy.—*W. A. Hussong, Assistant Treasurer, Railway Employees Federal Credit Union, Washington, D. C.*

## Oklahoma Distributes Books

TO: CREDIT UNION NATIONAL ASSOCIATION

The Oklahoma Credit Union League is presenting "The Poor Man's Prayer" and "Credit For The Millions" to the Federal auditor, the two credit union auditors representing the State Banking Department, and the public libraries of the major cities in Oklahoma. We would very much like to be able to make an even wider distribution of these fine credit union publica-

tions.—*Ralph G. Bendel, Managing Director, Oklahoma Credit Union League.*

## A Slow Burn

TO: The Editor

I have just finished reading the February issue of Bridge and thank you for another interesting issue. I must admit I don't read them as carefully as during my terms as treasurer and president of our credit union, but I enjoy those I do read.

In this issue I find one article which is far below your standard. It even is guilty of misstatement of fact and half truths for which we so roundly criticize some of the private loan agencies! On page 4, the article on Third Degree Credit Burns, the reporter says this: "under the 'Finance Charge' item, this worker is charged \$318.35! That is some rate of interest for the loan of 550 dollars for 21 months." Actually the reprint of the photostatic copy shows item 19 to be "Finance Charge and Ins. Chg." While we cannot tell from information at hand how much of the \$318.35 was for insurance, the reporter's statement is discredited and doubt is cast upon his integrity and honesty.

Let's assume Reporter Nunn made a mistake. Even so, an article like Third Degree Credit Burns in an otherwise excellent issue makes me do a "slow burn"!—*H. M. Edwards, SHA Employees Federal Credit Union, Seattle, Washington.*

## A Thank You Note

TO: CREDIT UNION NATIONAL ASSOCIATION

The Board of Directors of the Madison Free Library at their last meeting requested me to express their appreciation of your gift of Credit For The Millions by Richard Y. Giles, and The Poor Man's Prayer by George Boyle.—*Helen E. Farr, Librarian, Madison, Wisconsin.*

## A Source of Strength

TO: CREDIT UNION NATIONAL ASSN.

We received a copy each of the two books, "The Poor Man's Prayer" and "Credit For The Millions". These two books should help to strengthen any credit union members or non-members that read them.

I am forwarding a cheque for books to the Cuna Supply Cooperative, Hamilton.—*Harry M. Cassidy, Secretary and Treasurer, Church River Credit Union, Bunt Church, New Brunswick.*

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of

## The Credit Union Bridge

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Committees responsible for annual meetings, membership drives, member publicity, to increase the shares or the loans — will find more helpful ideas as these yearly volumes are accumulated.

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## A Group That Was Entirely Different

**M**R. C. A. WINDSOR, Treasurer of the Clark County Federal Employees Credit Union of Vancouver, Washington, organized the credit union for the telephone employees of his community.

When asked about his experiences in organizing this credit union, Mr. Windsor replied:

"About two years ago we formed a chapter of credit unions in this county and I was named as organization chairman. At the time there were five credit unions in this county, four of which were affiliated with the chapter. In considering the many places that a credit union might be organized we found that this county had a potential of at least fifteen or twenty new groups. Not having any experiences in this line I started talking credit union to everyone who might be in an eligible group. This did not get anywhere until last summer. I happened to talk to a telephone employee. Through him I was invited to attend a meeting of telephone workers.

"When I entered this meeting I expected to get the same cold shoulder or passive indifference, but I was surprised to find this group entirely different. After a brief explanation and answering a few questions I let them talk the matter over. They decided to appoint a committee to study the matter further. I then asked the President if I might make a further comment. I stated that it seemed that they wanted to do

something about organizing a credit union and asked them to appoint seven of their number to meet with me the following week to apply for a charter and that all those interested who were present at the meeting show their good intentions by signing up for at least one share to be paid later. There were twenty-five present and everyone signed up."

Mr. Windsor mentioned several prospects in his community—the Alcoa plant which has more than 1200 employees; a Dairy Co-op with about 800 employees; a co-op service station with 4500 members; and the division point railway employees.

Mr. Windsor felt that the people are not well informed generally about credit unions. He requested literature that could be distributed to the various groups, and asked for ideas on organizing.

The organization of many credit unions is the result of team work between volunteers, leagues, the CUNA O & E Department, and field representatives. Many times the league has a surprising amount of ground-floor information regarding previous calls and attempts to form credit unions for this same group. Often CUNA has already obtained the support from the parent corporation, or the international union headquarters, or the national association of a particular group. All these factors can be utilized to successfully organize a credit union.

Samples of literature in limited quantities, and suggestions for its effective use, are available from the CUNA Organizational and Educational Department.

### Coming Events

**March 30-April 1—Nebraska** Credit Union League annual meeting, Fontenelle Hotel, Omaha, Nebraska.

**April 6-7—Ontario** Credit Union League annual meeting, Royal York Hotel, Toronto, Ontario.

**April 12-13-14—Pennsylvania** Credit Union League annual meeting, Benjamin Franklin Hotel, Philadelphia, Pennsylvania.

**April 13-14—Illinois** Credit Union League annual meeting, Hotel Sherman, Chicago, Illinois.

**April 13-14—Colorado** Credit Union League annual meeting, Hotel Whitman, Pueblo, Colorado.

**April 13-14—Michigan** Credit

Union League annual meeting, Masonic Temple, Detroit, Michigan.

**April 13-14—South Dakota** Credit Union League annual meeting, City Hall, Sioux Falls, South Dakota.

**April 13-14-15—Kansas** Credit Union League annual meeting, Dale Hotel, Coffeyville, Kansas.

**April 20-21—Minnesota** League of Credit Unions annual meeting, Hotel Duluth, Duluth, Minnesota.

**April 20-21—Ohio** Credit Union League annual meeting, Commodore Perry Hotel, Toledo, Ohio.

**April 20-21—Indiana** Credit Union League annual meeting, Claypool Hotel, Indianapolis, Indiana.

**April 20-21—Virginia** Credit Union League annual meeting, Hotel Patrick Henry, Roanoke, Virginia.

**April 21—North Carolina** Credit Union League annual meeting, O'Henry Hotel, Greensboro, North Carolina.

**April 21—Quebec** Credit Union League annual meeting, Cercle Universitaire, Montreal, Quebec.

**May 9-10-11—Quarterly meetings** of Cuna Executive Committee, Cuna Mutual Board of Directors, and Cuna Supply Cooperative Board of Directors, May 9: 10 a.m. Joint Committee; 2 p.m. Cuna Supply Board of Directors, May 10: 9 a.m. Executive Committee; 8:30 p.m. Cuna Supply Cooperative Membership annual meeting, May 11: 10 a.m. Cuna Mutual educational session; 2 p.m. Cuna Mutual Board of Directors.

**May 11-12-13—National Board** of the Credit Union National Association annual meeting, May 11: 4 p.m. special meeting, May 12: 9 a.m. opening of annual meeting, May 13: 9 a.m. meeting continued.

**May 25-26-27—Iowa** Credit Union League annual meeting, Hotel Savery, Des Moines, Iowa.

**June 8-9—Alberta** Credit Union League annual meeting, Palliser Hotel, Calgary, Alberta.

**June 15-16—Washington** Credit Union League annual meeting, Davenport Hotel, Spokane, Washington.

**June 15-16-17—New York** Credit Union League annual meeting, Laurels Country Club, Monticello, New York.

**June 20-21-22-23—British Columbia** Credit Union League annual meeting, Hotel Georgia, Vancouver, British Columbia.

**July 3-4—Saskatchewan** Credit Union League annual meeting, Saskatchewan Hotel, Regina, Saskatchewan.

*They're going twice as fast as we estimated they would. Readers tell their friends how absorbing these two new credit union books are.*

The Poor Man's Prayer  
by George Boyle

Credit for the Millions  
by Richard T. Giles

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*Better Service Makes Your Credit Union  
More Important to the Members*

*Share*

## **The CUNA Automobile Insurance Program**

*With your members*

### **"A" Loan Service**

(on auto loan)

- Stop 1:** To make application for a credit union loan and automobile insurance.
- Stop 2:** To return to the credit union to sign the note, chattel mortgage, and to get the check.

### **"B" Loan Service**

(on auto loan)

- Stop 1:** To make application for a credit union loan.
- Stop 2:** To make application at another office for automobile insurance.
- Stop 3:** To return to the credit union to sign the note, chattel mortgage, provide loss payable clause on adequate automobile insurance coverage, and get the check.
- Stop 4:** To return to the automobile insurance company to pay the premium out of the loan.

### **Offer the CUNA Automobile Insurance Program For Dependable and Complete Service**

For further information write Cuna or  
our Credit Union Insurance Department.

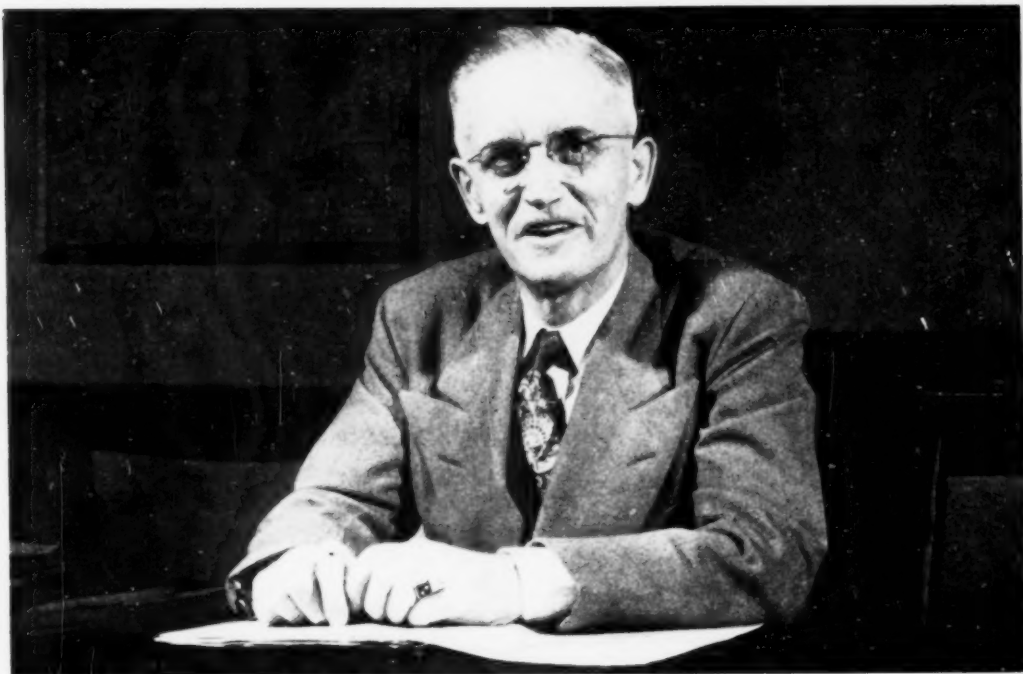


*Employers Mutuals of Wausau*

Home Office: Wausau, Wisconsin

Credit Union Insurance Department: Wausau, Wisconsin





## A Frank Statement About DIVIDENDS\*

From THOMAS W. DOIG, MANAGING DIRECTOR

**T**HIS IS THE TIME of year when our policyholders will once again receive a good dividend on their CUNA Mutual insurance, with payments totaling close to three-quarters of a million dollars. That's a real saving on insurance costs, and we're proud of it.

A number of our enthusiastic policyholders (bless 'em!) have asked why we don't "play up" our dividends in advertising. This is a good opportunity to explain why CUNA Mutual does not believe in "selling dividends." We have several reasons:

First of all, the cold truth is that dividends, by their very nature, cannot be guaranteed. Three factors decide life insurance dividends: mortality, expenses, and earnings on investments. Each of these factors can and does vary through the years, for many reasons. (Dividend predictions

made 20 years ago by three leading insurance companies have proved to be in error from 94% to 686%! ) While CUNA Mutual has paid a dividend every year of operation except the first, unforeseen events may change this picture, and it would not be fair to our policyholders to pretend otherwise.

Secondly, dividends (even if they remain constant) can be very misleading: some insurance which earns a high dividend is actually more expensive than a policy with the same benefits which earns a more modest dividend, for the simple reason that the *premium rate* is much higher on the first contract.

Here's what CUNA Mutual does: Instead of encouraging policyholders to hope for high dividends which cannot be guaranteed, we give them *immediate guaranteed savings* by selling our insurance at the *lowest premium rates* we can. In addition, we return to them in dividends any premium not needed to cover the cost of operation and the maintenance of sound reserves and surplus. You might call CUNA Mutual's dividend an *extra saving*.

Naturally, it's a temptation to "play up" dividends, (we can't resist telling you that our total dividend payments are *over two million dollars!*) . . . but we'll keep on selling insurance on the basis of *needs and service!* It's an honest way to do business, and in the long run, we believe our policyholders appreciate it.

### \*DIVIDEND DECLARATION

DIVIDENDS ON EARNED PREMIUMS RECEIVED  
IN 1950 ARE AS FOLLOWS:

LOAN PROTECTION-AA PLAN

20%

LOAN PROTECTION-AA-WD PLAN

10%

LIFE SAVINGS INSURANCE

10%

STANDARD GROUP  
INDIVIDUAL LIFE

REGULAR SCHEDULE

**CUNA MUTUAL INSURANCE SOCIETY**  
MADISON, WISCONSIN • HAMILTON, ONTARIO

